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ABSTRACT

In 1940, 8.6 percent of women with children 18 and under were in the labor force. By 1987, that figure was 65 percent. In 1976, 40 percent of the mothers of preschoolers were employed, compared to 58 percent in 1987. In 1988, 53 percent of women with children under 3 years held jobs. Sixty percent of the men in the labor force are married to women who also hold jobs. Between 1970 and 1985, the number of one-parent families more than doubled. Between 1970 and 1984, the fraction of poor people living in mother-only, nonelderly families climbed from 34 to 43 percent. Of single mothers with children under 6 years, 53 percent are in the labor force. Two-thirds of employed women are either the sole support of their families or married to men who earn less than $15,000 a year. Surveys indicate that 20 to 30 percent of employees of Fortune 500 companies care for elderly parents on a regular basis. Child care is difficult to find and obtain and is expensive. Parents are forced to put together a patchwork system that tends to fall apart. The effect of maternal employment on young children depends on the attitudes of the mother and father about working, job stress, other family stress, and the quality of the child care children receive. The quality of child care can have a lasting impact on children's development, most strongly affecting children's social development, scholastic achievement, and motivation as learners. (Men's contribution to family life, employer assistance for dependent care, flexible time and leave policies, and the psychological aspects of jobs are also discussed in this paper. Policy recommendations are made. A 75-item reference list is included.) (CML)

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24. LABOR FORCE PARTICIPATION OF DUAL-EARNER COUPLES AND SINGLE PARENTS

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LABOR FORCE PARTICIPATION OF DUAL-EARNER COUPLES AND SINGLE PARENTS

Ellen Galinsky

The Families and Work Institute

I. BACKGROUND

A. Changing Families

In 1988, the Census Bureau reported that of women who had a child in the year preceding its June 1987 survey, 51 percent were now in the labor force compared with 31 percent in June 1976. The New York Times greeted this news with a Father's Day editorial entitled "Mothers with Babies and Jobs," calling it a "monumental change:

> Except for one thing. It's a transformation society does not yet accept. Perhaps passing this newest milestone finally will jolt America into confronting the reality. What was once unusual is now the norm.
>
> New York Times, June 19, 1988

- In 1940, 8.6 percent of women with children 18 and under were in the labor force. By 1987, that figure had reached 65 percent.
- In 1976, 40 percent of the mothers of preschoolers were employed as compared to 58 percent in 1987.
- Currently 53 percent of the women with children under three hold jobs.

U.S. Department of Labor, Bureau of Labor Statistics, 1988b

Labor force projections indicate that these changes are here to stay (Hofferth & Phillips, 1987). By 1995, two-thirds of the mothers of preschoolers and three-fourths of the mothers of school-aged children will be in the labor force. The rapid increase in women's employment has obviously affected men. Currently, 60 percent of men in the labor force are married to wives who also hold jobs. Current estimates are that fewer than half of all marriages will remain intact for thirty years or more (Glick & Lin, 1986b). Between 1970 and 1985, the number of one-parent families more than doubled and between 1970 and 1984, the fraction of poor people living in mother-only non-elderly families climbed from 34 to 43 percent (Duncan & Rodgers, 1987). Fifty-three percent of single mothers with children under six (or 1.9 million workers) are in the labor force (U.S. Department of Labor, Bureau of Labor Statistics, 1988b, 1989). The increased numbers of employed mothers is frequently associated with materialistic social values, i.e., that many women work for luxury items. If they only tightened their belts, most mothers could stay home. Labor force statistics, however, reveal quite a different picture. Two-thirds of employed women are either the sole support of their families or married to men who earn less than $15,000 per year (Select Committee on Children, Youth and Families, 1984).

As our population continues to age, more and more families will be providing care for one or more elderly relatives or friends. Nationwide data on the number of employees who regularly care for the elderly are not yet available, but surveys of Fortune 500 companies show that between 20 and 30 percent of the employees care for elderly parents on a regular basis (Travelers, 1985; Friedman, 1987; Galinsky & Staines, 1989). In one study, between 28 and 44 percent of the employees expect to assume elder care responsibilities within the next five years (Lurie, Galinsky, & Staines, 1989). Elder care is not just everyday care; it also includes emergency care when an otherwise healthy family member falls, has a stroke, or is otherwise incapacitated (Rogers, 1988). Thus, the number of employees reported to have elder care responsibilities may, in fact, be low.

B. Changing Labor Force

Just as families are changing, so too is the labor force. The labor force is becoming increasingly female:

- Sixty-four percent of all new entrants into the labor force between 1987 and 2000 will be women (Johnston, 1987).
- Minorities will constitute 29 percent of new entrants to the labor force between 1987 and 2000. This represents twice their current share (Johnston, 1987).

In addition, the workforce is aging and growing smaller:

- Population growth has been dropping from an annual increase of 1.9 percent in the 1950s to a projected 0.7 percent in 2000 (Johnston, 1987).
- The number of young workers (between 16 and 24) will drop eight percent between 1987 and 2000, representing a decrease of two million (Johnston, 1987). This young generation has been dubbed "the baby bust generation." Companies are already feeling labor shortages. In a survey of 71 Fortune 500 companies conducted by the staff of the Families and Work Institute, six out of 10 reported contending with a diminished supply of potential new hires (Galinsky & Friedman, in preparation).
- As a result of these trends, the average age of the workforce is increasing from 36 to 39 by 2000 (Johnston, 1987).

C. Changing Economy

America is undergoing a rapid and massive change. In the face of aggressive new global competition, the economy of today is quite different than the economy of even a decade ago. Mergers, acquisitions, downsizing, and the contingent workforce are more common. In addition, the economy itself is shifting to an information base, and thus different skills and management styles will be needed. In an information society, a premium is placed on

knowledge, technical capacity, and ongoing problem-solving. No longer will the skills and attitudes established in schools during the industrial era be relevant: memorizing facts, reciting answers, competing. In an information-based economy, employees will need to know how to plunge into gray and often contradictory areas of knowledge, to pursue the unknown, to think creatively and globally, to be continuous learners, to adapt to change, and to work cooperatively in interdisciplinary teams.

These changes in family and workplace demographics and in the economy have given rise to new issues. For employers, it means attracting a qualified workforce in a time of impending labor shortages. It also means managing and retaining an increasingly diverse workforce within the context of a global economy.

For the family, these changes have given rise to prevalent work/family stress. Our research team has found that at least different two of every five employees surveyed are having problems managing the conflicting demands of jobs and family life (Galinsky, 1988a).

In a period of such rapid change, there can be a gap between assumption and reality, between human needs and institutional response, between practice and policy. In the following paper, I will address the impact of these social and economic transformations and will propose policy recommendations.

II. ISSUES RELATED TO LABOR FORCE PARTICIPATION OF DUAL-EARNER COUPLES AND SINGLE PARENTS

This section examines three areas: dependent care, time and leave flexibility, and the psychological aspects of jobs. Within each area, I will assess what is known about the impact of related problems on employee productivity and family well-being, and I will discuss how employers have responded. Then I will discuss the incentives and obstacles to increased

company activity, thus laying the groundwork for the policies recommended in the last section of the paper.

A. Dependent Care

1. The Dimensions of Child Care Problems

For the past decade, our research team has been investigating the specific nature of child care problems that employees face and then assessing how these problems are linked to productivity. On the basis of our research and that of others, the following issues appear most significant.

Child care is difficult to find and obtain. Although there is a debate about whether or not there is a shortage of child care (U.S. Department of Labor, 1988a), from the perspective of employed parents, there is a shortage. In a nationally representative survey our research team found that one of every three parents of infants and toddlers and one of every four parents of preschoolers had a "difficult" or a "very difficult" time finding child care (Galinsky & Hughes, 1987). In some regions, among certain employee populations, those percentages are even higher. In needs assessments of employees in three companies in suburban New Jersey, 48 percent reported that locating an adequate selection of child care was a major or significant problem; 65 percent of these parents with infants had a difficult time finding suitable care (Galinsky, 1988a).

Learning about available sources of child care represents only part of this process. Parents may be unable to obtain child care because of long waiting lists, expense, the commute, or program requirements (for example, the hours don't accommodate parent's work schedule). Fifty-four percent of the parents in the New Jersey companies reported that it had

been "difficult" or "very difficult" to make their current child care arrangements (Galinsky, 1988a).

In our studies (Galinsky & Hughes, 1987; Galinsky, 1988a), difficulty finding out about and obtaining child care was one of the major predictors of parents' absenteeism.

Some child care arrangements are more satisfactory than others. No studies to date have investigated how variations in child care quality, independently assessed, affect employees on the job although Marybeth Shinn of New York University and I (in preparation) have such a study in progress.

A number of studies indicate that different types of child care affect parents at work. Emlen and Koren (1984) of Portland State University have found, for example, that having a latchkey child is significantly linked to higher rates of absenteeism. The average employee misses seven to nine days of work per year (Hedges, 1977; Emlen, 1987); when their children are in self-care -- at home alone or with siblings -- employees miss approximately thirteen days of work. Although women's rates of absenteeism are generally higher than men's, in this case, men's slightly exceed women's: they miss an average of 13.4 days compared to women's 13 days (Emlen, 1987). One explanation for this is that men take increasing responsibility for their children as the children grow older (Galinsky & Hughes, 1987).

Parents are forced to put together a patchwork system that tends to fall apart. Employed parents do not make just one child care arrangement for each child. During the elementary school years in particular, the child may be sent to one neighbor before school and to another neighbor after school. These arrangements may differ on various days of the week.

At Merck & Company, Inc., a pharmaceutical company based in Rahway, New Jersey, employees averaged 1.7 arrangements per child (Galinsky & Hughes, 1985). The same

finding has been reported by Shinn and her colleagues (Shinn, Ortiz-Torres, Morris, Simko & Wong, 1987).

Not only is the patchwork child care system stressful when it works according to plan, but many arrangements are tenuous and fall apart. At Merck, we found that the more arrangements parents had, the more likely these were to break down (Hughes, 1987). In another study, one in four employed fathers and mothers had to scramble to make last-minute arrangements because their regular arrangements had broken down two to five times in the past three months (Galinsky & Hughes, 1987).

The breakdown of child care arrangements was significantly linked to every negative outcome in our studies. Workers who had to make more last-minute, ad hoc arrangements were more likely to arrive at work late, leave early or be absent from work altogether. They were more likely to spend unproductive time on the job because they were worried about their children. These parents were prone to higher levels of stress and experienced more stress-related health problems. They were even more likely to suffer greater tension and less companionship in their marriages and to feel less satisfied as parents.

Among other reasons that parents experience breakdown in their child care arrangements is the high turnover among child care professionals. The annual separation rate (number of workers leaving the field) for child care staff is 35.2 percent. Only workers such as gas station attendants and dishwashers leave their fields more frequently. The average child care professional has been in this field for 2.7 years; an astounding 62 percent of the entire child care workforce have been employed in child care for less than three years. In comparison, elementary school teachers average 12.4 years in that occupation (U.S. Department of Labor, 1988b).

One cause of the high turnover is readily apparent: nationally, in-home child care providers earn an average of $94 per week, and child care center-based staff earn $191. In comparison, pre-kindergarten and kindergarten teachers (whose educational credentials may be

similar to those of child care workers) earn an average of $332 weekly (U.S. Department of Labor, Bureau of Labor Statistics, 1988a).

Child care is expensive. Despite the low salaries, the cost of child care strains many families economically, running from 10 to 25 percent of their family budget. Lower-income families spend a much greater proportion of their budgets on child care than wealthier families do, often as much as they pay for housing (Hofferth, 1988). This can be an especially difficult problem for single parents who are the poorest segment of the labor force (Duncan & Rodgers, 1987).

2. The Dimensions of Elder Care Problems

Elder care means assisting with the daily living activities or emergency care for an elderly relative dependent who is chronically frail, ill, or disabled. There has been less research on the impact of elder care on employees' productivity than child care , although it is much needed. According to two recent needs assessments conducted by Resources for Child Care Management and our research team, one in five employees worries about an elderly dependent while on the job (Lurie, Galinsky & Staines, 1988). Studies indicate that employees who care for elderly dependents have higher levels of stress and stress-related illness than other employees, even those with children (Creedon, 1987). In a survey of employees at 33 companies, researchers found that 55 percent of the women and 50 percent of the men reported being interrupted at work as a result of their elder care responsibilities (Regional Research Institute for Human Services, 1987).

3. The Impact of Gender and Marital Status

Evidence from numerous studies on employee dependent care responsibilities uniformly indicates that women employees experience more problems than men. Women take more responsibility in arranging dependent care, maintaining it, and responding if it falls apart (Hughes & Galinsky, 1988; Burden & Googins, 1986; Fernandez, 1986). In one study, married mothers often had the same obligations as single parents (Fernandez, 1986). When it comes to cost of services, however, single parents are at a severe economic disadvantage, which perhaps forces them to settle for poorer quality care (Hofferth, 1988).

In absolute numbers, the amount of family work that men contribute is increasing slowly, whereas the proportion is changing more rapidly, moving from a 20 percent share to 30 percent in the past decade (Pleck, 1986). Furthermore, men take a larger share of responsibility as the children get older (Galinsky & Hughes, 1987; Stewart, Van Tuyl, Mobley, Salvador, & Walls, 1986). Men also contribute to the provision of elder care (Neal, Chapman, & Ingersoll-Dayton, 1988).

When men assume dependent care and other child-rearing tasks, they are affected in the same ways as women. Burden and Googins (1986) found that the amount of responsibility, not the gender of the employee, was linked to depression and decreased well-being. Thus, the assumption that dependent care problems are solely a women's issue is clearly erroneous.

4. The Impact of Maternal Employment

Another frequent assumption holds that having a working mother is harmful to young children. Research challenges this notion. The effect of maternal employment depends on numerous factors, including the attitudes of the mother and father about working, job stress,

other family stress, but most notably, the quality of the child care children receive (Galinsky & David, 1988; National Center for Clinical Infant Programs, 1987).

There is strong and conclusive evidence that the quality of child care can have a lasting impact on children's development, most strongly affecting children's social development, scholastic achievement, and motivation as learners. For example, research by Howes (1988) reveals that when infants and toddlers experience numerous changes of caregivers, they perform less competently on standardized measures in the preschool years. A study by Vandell and Powers (1983) found that when children were unoccupied and bored in four-year-old programs, they had more trouble with relationships at age eight. A study at the University of North Carolina-Chapel Hill showed that when discipline is haphazard and social skills are not taught, children behave more aggressively in kindergarten (Finkelstein, 1982). The National Day Care Study revealed that group size, staff-child ratio, and the relevant training of teachers is linked to children's achievement and social competence (Abt Associates, 1979). Finally, the Perry Preschool Program has charted the potential long-term cost savings of high quality early childhood programs: less school remediation, fewer school dropouts, reduced juvenile justice infractions, and lower teenage pregnancy rates (Berrueta-Clement, J.R., Schweinhart, L.J., Barnett, W.S., Epstein, A.S., & Weikart, D.P., 1984). Clearly the early education and care children receive is of utmost importance and can have long-lasting effects on the skill and competence of our future workforce.

5. Business Initiatives To Address Dependent Care Problems

Although research indicates that child care problems are pervasively experienced throughout the workforce, negatively affect parents' performance on the job and can impede children's development, only 4,100 of the nation's six million employers have developed policies and programs to address these problems (Friedman, 1988). The most responsive

companies tend to be large, to employ a sizeable number of women, to be non-unionized, to experience high growth, to have young, entrepreneurial leadership, and to be experiencing labor shortages (Galinsky, Hughes & David, in press; Friedman, 1983; American Society for Personnel Administration, 1988). Thus, the employees served are likely to be the most privileged. The initiatives tend to create a larger gap between the have and have-not employees, especially the working poor and single parent mothers (Galinsky, 1988c).

Furthermore, while many assume that helping employees with child care means providing on-site centers, most employers buy into the existing child care system within their community. Thus, one sees more initiatives in parts of the country with the most well-developed dependent care systems. Elder care initiatives are at the pioneering stage, although the demographics of the aging population indicate that such initiatives may eclipse child care in demand.

Rather than categorizing the range of options, I will describe how initiatives specifically address the problems reported by research. In doing so, I will describe Child Care Resource and Referral, Elder Care Consultation and Referral, Corporate Contributors, on- and near-site child care, child care consortia, care for mildly sick children, comprehensive cafeteria plans, flexible spending accounts, Long Term Care Insurance vouchers, discounts, visiting nurse services and respite care.

Assistance in locating and obtaining child care and elder care. Over 1,000 companies now provide Child Care Resource and Referral (CCR&R) to help employees locate child care (Friedman, 1988). As this service is contracted on a per employee cost, it is easily used by small and large employers alike.

As previously discussed, employees also have problems obtaining child care. If the supply of local child care is inadequate, then the referral process is useless. Thus, some large corporations have initiated efforts to stimulate the supply of quality child care through

recruitment and training. In 1984, IBM initiated the first nationwide R&R network through its contract with Work/Family Directions. With continued support from IBM as well as funds from local communities and other corporate clients, Work/Family Directions has helped develop over 50,000 new providers of child care (including family day care homes, child care centers, and in-home providers).

A large-scale effort to increase the supply of family day care is the California Child Care Initiative. Developed by the BankAmerica Foundation, this public-private partnership of thirty-three organizations funds community-based R&R agencies for recruitment and training. To date, over $3 million has been contributed to the program; in the first two years, 7,900 new child care spaces were created.

IBM pioneered Elder Care Consultation and Referral in February 1988. More than 8,000 employees used the service during its first year, often for emergency help (such as locating assistance for a parent or in-law who has become ill). This program helps familiarize employees with the available range of services for the elderly, including medical, custodial, housing, legal, and counseling services. Other employers provide information about elder care services through seminars, support groups, handbooks, hotlines, and Employee Assistance Programs.

Initiatives to improve the quality of dependent care. Besides recruiting and training providers, CCR&R's also counsel parents on how to judge child care and follow up to help parents assess their observations. In this way, parents can make higher quality, more stable child care arrangements.

Companies are beginning to recognize that if they are going to buy into the community child care system, they must address the quality of this system, specifically the high turnover of staff caused by low wages. One of the more interesting child care enhancement efforts has been undertaken by 3M's McKnight Foundation, which has given $468,000 to child care in

Saint Paul/Minneapolis. Child care programs that serve a proportion of low-income children may apply for small grants to be used toward salary or benefit enhancement. More important, all programs are given intensive training in budgeting.

Companies are also addressing the quality issue by creating on- or near-site child care centers. Approximately 200 companies, 600 hospitals, and 22 government agencies have such programs. On-site care is not necessarily the first choice of either parents or management, and on-site programs are relatively rare. On-site corporate adult day care centers are extremely rare, but Stride-Rite is planning to turn its on-site child care center into an intergenerational program.

The majority of on- or near-site child care programs have been started by large companies because of the expense and the number of employees needed to fill a child care program, yet, it is possible for a small company to do so. Through creative fund-raising that included a one-cent-an-hour withholding agreed to by union members, Greico Brothers, a clothing manufacturer with 800 employees, established a center for 90 children.

A more common option for small companies is to enter into a child care consortium. Consortia arrangements seem to function best if a neutral third party, such as a CCR&R agency or an independent consultant, helps the companies work out their policies and procedures and can arbitrate difficult issues such as which company gets the one space in the program that has opened up.

Other companies provide corporate contributions to existing programs in return for preferential admission. Rather than build its own center, Bell Labs arranged for a local agency to expand its centers and provide a certain number of slots for Bell Lab employees.

Organizations that have addressed the issue of the frequent breakdown in child care have determined that a major cause of this breakdown is children's illness. Johnson & Johnson plans to provide care for mildly sick children at its New Brunswick on-site center. Another way that companies help employees care for sick children is to contract with health care organizations to provide in-home care, a portion of which the company pays for. Still

another program provides subsidies to local organizations or hospitals to establish sick child care facilities.

Initiatives to help employees pay for dependent care. Companies assist employees with dependent care costs primarily through benefit options. Section 125 of the IRS Code allows employers to offer workers a choice of benefit options from a "menu" of taxable and nontaxable benefits. The program may take the form of a comprehensive cafeteria plan or a Flexible Spending Account (FSA). A comprehensive cafeteria plan provides a core set of benefits and the use of flexible credit to purchase more of the core benefits or other optional benefits that are either taxable or nontaxable. Credits are generated by employer contributions (based on salary and tenure) and are placed in a credit account for the employee.

Friedman (1988) estimates that over 1,500 companies now provide FSA's. Employees may reduce their salaries by up to $5,000 and deposit these pre-tax dollars into a company account designated to reimburse child care or elder care expenses. The size of the company is not a factor in the establishment of this account, which essentially involves meeting the requirements of Section 125 of the IRS code, setting up a dependent care assistance plan according to Section 129, and the on-going cost of administration. There are some disadvantages for employees -- they cannot use both the Individual Dependent Tax Credit and an FSA; furthermore, if the FSA money has not been used up by the year's end, it must be forfeited.

One of the most promising new developments in benefits to assist elder care needs is Long Term Care Insurance, which helps employees pay for long term care for themselves, dependent children, spouses, or parents. Designed to fill gaps in Medicaid and Medicare coverage, long term care insurance plans may cover home health services, adult day care, and respite care.

The second way that companies help employees pay for dependent care is through a direct financial subsidy or voucher. Approximately 50 companies pay for a percentage of child care costs at programs chosen by the parent. The company may pay the provider directly or reimburse the employees. The voucher may be offered as a flat fee, a percentage of cost, or be limited to those below a certain family income level. Another 100 companies have negotiated employee discounts with child care providers (Friedman, 1988). Typically, a child care center lowers its fee by 10 percent and the employer contributes 10 percent of the fees so the employees receive a 20 percent reduction in their child care costs. Companies also provide reimbursement or direct subsidies to employees for visiting nurse services, thereby helping employees to attend work when medical problems arise. They also cover some of the costs of hiring a caregiver, respite care, so employees can enjoy a brief break from their caregiving responsibilities.

6. The Impact of Dependent Care Initiatives

Three national studies have examined employer perceptions of the benefits of corporate child care programs. Perry (1982) surveyed 58 employers (predominantly hospitals) with on-site centers: 88 percent indicated they thought the program increased their ability to attract employees, 72 percent noted lower absenteeism, and 65 percent felt that it improved employees' attitude toward the employer. Magid (1983) studied 204 companies with child care programs; employers ranked the top benefits as improved ability to recruit, improved morale, and lowered absentee rate. A survey of 178 companies (Burud, Aschbacher, & McCroskey, 1984), found that 90 percent of the managers thought the program had improved morale, 85 percent felt that the company's ability to recruit had been positively affected, and 85 percent felt public relations had been more positive.

There have been only a few methodologically sound pre/post investigations of corporate child care. One of the best is a new study conducted by Marquart (1988) from Cornell University. She compared users of employer-sponsored child care programs (on-site center and R&R) with non-users and found that users were more likely to report that the program contributed positively to their recruitment, retention, and their recommending their employer to other prospective workers. In her recent review of this research, Friedman (in preparation) found that on-site child care seems to help with retention, an interesting result in light of increasing labor shortages.

7. Obstacles to Expansion of Corporate Dependent Care Initiatives

Numerous companies are considering the development of child care assistance. A May 1988 survey conducted by the American Society for Personnel Administration (ASPA) revealed that 50 percent of the members who responded to the questionnaire were considering or planning some form of child care initiative in the coming years. This finding is important because many of their members are small or mid-sized establishments. A survey of large Fortune 500 companies likewise found that 86 percent planned to develop new work/family initiatives (Galinsky & Friedman, in preparation). The incentive most frequently reported was recruitment and retention.

Many road blocks, however, crop up between the "thinking about" and the implementation stage in developing child care assistance. The difficulties most often cited in surveys are: cost, equity, liability, lack of information, and lack of clarity of governmental procedures (ASPA, 1988; Galinsky & Friedman, in preparation). Less is known about obstacles to elder care initiatives but one can assume they are similar to child care concerns.

Cost. When employers cite cost as a deterrent, they are usually assuming that addressing employees' child care needs means creating an on- or near-site center. A high-quality center is expensive, especially for small companies, and especially if companies subsidize the fees so lower income employees can afford to send their children there. Other programs, such as Child Care Resource and Referral and Flexible Spending Accounts are not nearly as expensive.

Phillips from Merck & Company (1989) feels that cost is the wrong question. He feels that companies will lose money in the future if they don't provide a family supportive environment. He has calculated the average cost of replacing an employee at Merck at 1.5 times the annual salary of an exempt position and .75 times the annual salary of a non-exempt position. He states, "Given high turnover costs, avoiding turnover for just a few employees will yield excellent paybacks"(p. 6).

Liability. Companies assume that child care (on- or near-site) will breed lawsuits; as the designated "deep pocket," the company will suffer negative publicity and high legal costs. This is a very real concern. To my knowledge, there has never been a lawsuit in a corporate sponsored day care center, presumably because the pioneering companies that have developed on-site programs have insisted that quality be high. Informal inquiries to companies (who are generally large and in a growth mode) with on- or near-site programs reveal that insurance is not a problem. Silverman from BMF Marketing estimates that half a million dollars of liability coverage can be purchased for $40 to $60 per child; accident insurance is $4 per child (Silverman, personal communication, 1988). The child care industry has an average of one claim per 1,000 child care days; most claims are under $300, of the trip and fall variety.

Insurance is a critical problem for non-corporate child care programs especially family day care providers who often find it difficult to obtain an insurer and pay for the coverage. Furthermore, the implications of the 1986 tax reform legislation in which reserves may be taxed is not clear. Some speculate that it may exacerbate these problems.

Equity. Most organizational policies are predicated on the notion of equity: every employee should be able to take equal advantage of all policies or benefits. Certain work/family initiatives, such as flexible time policies or the Flexible Spending Account, meet this criterion. Others, such as R&R or on- or near-site centers do not. In the name of equity, some corporations resist programs that serve specific groups or locations.

There are several ways companies have addressed the equity issue. Some have developed programs that address employees' dependent care needs rather than simply child care or elder care. Thus, a potentially larger number of employees are served.

Other companies have taken a life-cycle approach. They note that although five to 15 percent of an employee population may use Child Care Resource and Referral in one year, over a longer time frame, a considerably larger pool of employees is served.

A third approach companies have taken is to pose the issue directly to employees. In the needs assessments companies conduct, they ask, "How would you feel about the company establishing a work/family program, even if you did not directly benefit?" The number of employees in favor of such a move is extremely high: generally from 85 to 95 percent. The resistance generally comes from men who have not experienced these problems firsthand and deem them outside the realm of their organization's responsibility, or from women who have had to cope without these supports and resent providing them for others (Lurie, Galinsky & Hughes, 1988; Burden & Googins, 1986; Fernandez, 1986).

Lack of regulatory clarity. One potential obstacle to the development of elder care programs is the lack of clarity about whether for-profit corporations can contract with government-funded Area Agencies on Aging for special support and C&R services for their employees. Until this confusion is cleared up, companies may be reluctant to get involved.

The lack of regulatory clarity about Flexible Spending Accounts has been a disincentive to companies. Because it has taken a long time to develop implementation regulation and because there is a possibility that the amount of salary reduction allowable will be greatly reduced from $5000, many companies have adopted a "wait-and-see" attitude about this work/family initiative. The fact that employees have to have a relatively high income to make use of FSAs has also been a disincentive to companies who want to provide a more equitable benefit. Employees have to have enough disposable income to reduce their salaries, pay for child care from this lowered base and then wait to be reimbursed.

Another problem with FSAs from the employer point of view has to do with the IRS regulated schedule of reimbursement. If an employee submits a receipt for more money than has been accrued but less than the total amount in the account, the company is obligated to reimburse the employee immediately. If the employee quits before the amount deducted has been accrued into the account, the company can't recover this loss -- a risk some companies consider unacceptable.

Still another disincentive is the relatively low employee usage that some companies with FSAs report. This lower rate can be attributed to several factors. First, there is the fact, as previously stated, that salary reduction plans are most helpful to higher income employees. Secondly, employees cannot "double dip"; that is, claim a Dependent Care Tax Credit and make use of an FSA. Third, employees must have child care providers who are willing to give their social security number to their parents who in turn provide this information as part of the documentation necessary for reimbursement. As a result, those parents using "underground" providers who do not pay taxes on their child care income do not want to use an FSA. Finally, some parent employees are dissuaded from using FSAs because they know that they must use up the funds in their account by year's end or forfeit the money.

In general, the paperwork required by government regulations is a very real problem for companies. Simply gathering data for the Section 89 tests for non-discrimination is

expensive, time-consuming and confusing; furthermore, although Section 89 is already in effect, there are no regulations about how to proceed and there is a strong movement to reform this section. Overwhelmed by the vast changes in every benefits area affected by law, benefits managers are struggling simply to administer their current programs and stay in compliance. The result is a dampened willingness to consider any new, innovative, or creative ideas that could help employees manage their work and family responsibilities (McFarland, personal communication, 1989).

Union resistance. Unions have opposed flexible benefits out of concern that when employees can opt out of core benefits such as health coverage and pension plans, then these protections may be eroded. This is quite a valid concern. Unions are, however, quite supportive of other dependent care initiatives.

Assumptions/Information. The biggest obstacle to increased provision of work/family initiatives is the assumption that these concerns fall out of the realm of the workplace (Galinsky & Friedman, 1986; Galinsky, 1986). Accordingly, it is up to the individual to solve dependent care problems. Corporate involvement is seen as an unwarranted interference in family life.

This assumption has been challenged lately by managers and employers who conclude that because community dependent care systems are inadequate, employees cannot find and pay for quality dependent care on their own; that it is in the employer's self-interest to provide employees with resources for solving these problems. The employer does not interfere but simply makes programs available. Employers see these initiatives as business investments that will help attract and retain qualified employees.

The preceding section on obstacles indicates that several of the barriers to increased involvement may be less of a problem than they are perceived to be. Thus, adequate

information is necessary. Even for those companies who want to develop dependent care programs, knowing where to turn for information and advice is unclear.

8. Implications for Policy

In formulating policy, several findings from this review of the issues should be considered.

1. Research evidence is beginning to accumulate that providing corporate care assistance is potentially in the companies' business interest.

2. As projected labor shortages grow, it will be even more in the business community's interest to develop programs that help recruit and retain employees.

3. In terms of the competence and skills of the future workforce, it is also more cost-effective to address the issue of early childhood services now than to invest in remediation and retraining later.

4. As the population continues to age, companies should be considering the impact of increased elder care responsibility on employees and engage in strategic planning.

5. Because lack of information is an important barrier to increased activity, information should be disseminated.

6. Special attention should be paid to employees who work for small companies, especially single parent mothers.

7. Since companies tend to buy into existing dependent care systems and do so more where the systems are well developed, government has an important role in strengthening the existing systems.

8. Since the working poor and many single parent families do not necessarily work for companies that will support employees' needs for dependent care, general strategies to strengthen the dependent care system will positively affect these populations.

As Kahn and Kammerman (1987) state:

> The time has come for the society -- and thus state and federal governments -- to acknowledge child care as a major need and participation in child care as normative. Child care services should evolve and become as much a part of the social infrastructure as schools, libraries, parks, highways, and transportation. (p. 246)

B. Flexible Time and Leave Policies

1. Dimensions of Time and Leave Problems

The need for time flexibility. Simply providing dependent care assistance will not address the needs of dual-earner couples and single parent employees adequately. In employee surveys, employees consistently request greater time flexibility as a means to improve the quality of their family lives while maintaining or improving their productivity (Galinsky, 1986; Hughes & Galinsky, 1988; Galinsky & Hughes, 1987).

Studies have found that lack of control over work hours is associated with negative outcomes (Piotrkowski & Crits-Christoph, 1982). Employees also face problems when their work schedules are incompatible with the schedules of other family members and with community institutions such as child care programs, schools, doctors, dentists, banks, etc. (Mason & Espinoza, 1983; Staines & Pleck, 1983; Pleck, Staines & Lang, 1980).

The need for shortened working hours. Research has also documented the negative repercussions of working long hours. In one nationally representative survey, we found that only four percent of the men and 23 percent of the women worked less than a 40 hour week; in fact, 37 percent of the men and 13 percent of the women worked over 50 hours. Employees who worked more hours had higher levels of stress (Galinsky & Hughes, 1987). In the Merck study, working longer hours was associated with more conflict between job and family responsibilities for men and more stress-related health problems for women (Hughes & Galinsky, 1988).

Working part-time can also have negative repercussions. Employees who wish to cut back their hours may be unable to afford a reduction in income and benefits, and diminished job mobility.

The need for leave policies. Certain circumstances may require absence from work altogether. The birth or adoption of a child is the most obvious. Employees may also need time away from the job for family emergencies.

2. Business and Governmental Initiatives to Address the Need for Time and Leave Flexibility

Programs that provide time flexibility. Under flexitime, employees can choose when to arrive at work and when to leave, as long as they accumulate the prescribed number of hours per day or week. There is generally a core time when all employees must be present each day. A recent survey of 521 Fortune 500 companies found that one-half plan to expand flexible time programs (Christensen, in preparation).

Programs that reduce working hours. The most common form of reduced hours is part-time work. Part-time schedules may include proportions of days, weeks, months, or years. Part-timers may be temporary or permanent employees. Temporary part-timers typically do not receive benefits such as health insurance, but under ERISA, employees who work a minimum of 1,000 hours receive pro-rated vacation and sick leave. Eighteen percent of the American workforce is part-time; a few companies are experimenting with professional part-time positions but the majority of part-time jobs are still non-professional. Career mobility is a major issue for all part-timers and has yet to be dealt with effectively.

Voluntary reduced time enables employees to reduce work time and pay by five to 50 percent for a specified period of time (usually 6-12 months). Workers retain their benefits and

seniority status on a pro-rated basis. Companies have begun to offer this option to help employees meet family, personal, or educational needs as well as an alternative to layoffs. One of the most well-known V-Time programs was established by New York State for state employees.

A third means of reducing work time is job sharing, whereby two workers share the responsibilities of one full-time job, share separate but related assignments, or have unrelated part-time assignments and simply share a budget line.

Another way that companies have been providing flexibility, both to themselves and to employees, is through the increased use of contingent workers (temporary and independent contract workers). Until recently, part-time and temporary work has primarily involved clerical workers, but a trend is emerging in which professional and technical workers (doctors, lawyers, computer specialists) are being hired as temporary workers. Data reveals that the majority of the contingent work-force is female.

Observers of this move toward an increased contingent workforce are concerned that these individuals are sacrificing basic rights of full-time employment such as health benefits, pensions and the opportunity for advancement. Companies are concerned about decreased loyalty and, concomitantly, decreased productivity and quality of work. The challenge is to ensure that "these types of hiring practices enhance, rather than hurt, women's earning power, both in the short and long terms" (Christensen, in preparation).

Programs that provide leaves. The most common need for leave is for childbirth; the most common solution is disability leave. Companies are not required to provide disability coverage for their employees, but the 1978 Pregnancy Discrimination Act (PDA) requires that those companies who do must include pregnancy. A recent nationwide survey of 2,620 pregnant working women (National Council of Jewish Women, 1987a) found that 83 percent were offered at least six weeks of job-guaranteed benefits by formal policy. Kammerman,

Kahn, and Kingston (1983) estimate that only 40 percent of employed women in the United States are entitled to at least six weeks of paid disability leave following childbirth.

Five states -- California, New Jersey, New York, Rhode Island, and Hawaii -- mandate employer participation in temporary disability insurance programs that provide disabled male and female employees with partial wage replacement up to 26 weeks. These long-standing state programs have proven to be cost-effective wage-replacement systems for workers who are unable to perform their jobs due to non-work related disability.

In the last two sessions of Congress, Federal legislation has been introduced to guarantee unpaid leave for mothers and fathers to care for a new baby (either biological or adopted) or to care for ill family members. This legislation, called Parental Leave or Family Leave, has been hotly debated. It has been championed as a means to allow parents to bond with their children and contested as the first wave of a series of mandated benefits that would prove unaffordable to companies.

While the Federal discussion continues, 10 states -- Wisconsin, Rhode Island, Minnesota, Maine, Connecticut, Oregon, Washington, West Virginia, Oklahoma and Vermont -- have passed parental leave legislation. Nearly 27 other states have also introduced similar bills. A number of companies have begun to develop parental leave policies. One of the most noteworthy is IBM's three-year leave plan. Employees are required to work some time during the three years in order to maintain his or her skills. In return, IBM guarantees a comparable job after three years, although not necessarily in the same location.

In company focus groups, when employees discuss childbirth and other leave policies, many request a gradual transition back from leave using part-time work. Another frequently requested provision is the right to have personal days. Employees dislike being forced to lie when their children are sick and want these days off to be legitimate. In response to this finding, Johnson & Johnson will introduce a policy of "Family Emergency Absences" in July 1989. Warner-Lambert has developed a policy explicitly allowing employees to stay home

with sick children. At Becton Dickinson in Orangeberg, New York, employees have a time bank: every year they are allowed 69 3/4 hours from which they may draw time-off in two- or three-hour increments for any legitimate personal or family reason.

3. Impact of Time and Leave Policies on Productivity

A number of studies have assessed the impact of flexible time arrangements on productivity. A meta-analysis of 92 organizations found that alternative work schedules reduced absenteeism and tardiness and, over a long time span, reduced turnover (Pierce, Newstrom, Dunham, & Barber, 1989).

In terms of the impact on families, Bohen and Viveros-Long (1981) found that flexitime did not reduce work/family conflict for women with young children, the most highly stressed population in their study. They speculate that the modest flexibility allowed in the programs was simply not enough to make a difference. Reporting a similar finding, Shinn and her colleagues (Shinn, Wong, Simko, & Ortiz-Torres, in press) found that the opening and closing hours of schools and child care programs determined whether or not employees could use flextime.

One of the more promising new efforts to examine leave policies and productivity is a study conducted by the National Council of Jewish Women (1987a) in 80 communities across the country. Nearly two thousand women were interviewed in their last trimester of pregnancy and again four to seven months after giving birth. On the basis of eight indicators of an accommodating workplace (sick leave, disability, wage replacement during disability leave, parental leave, supportive supervisor, health insurance, flexible scheduling, and some form of child care assistance), the researchers found that the women who worked for the most accommodating companies were more satisfied with their jobs, took fewer sick days, were sick

less, in fact often worked more on their own time, worked later into their pregnancies and were more likely to return to work.

Managers often say that developing formal and informal work/family supports requires a "leap of faith" that what the company gives, it will get in return. The NCJW study provides the first empirical evidence that this leap of faith may well be justified: when companies are more accommodating, employees are more likely to respond in kind.

4. Obstacles to the Expansion of Flexible Time and Leave Policies

Management Resistance. A major obstacle to the effective implementation of flexible work schedules is the management tenet that presence equals productivity. Managers fear an impeded ability to supervise, lack of communication, and a loss of productivity with employees requesting non-traditional 8 o'clock to 5 o'clock schedules. And in production settings, supervisors foresee an underutilization of equipment.

Those managers who have developed new skills to manage flexible schedules report increases in productivity from employees who are working smarter and harder.

The major objection to governmental parental leave legislation has come from the small business community, spearheaded by the National Chamber of Commerce which asserts that mandating benefits such as parental leave will hurt business and may even force companies to stop hiring women, to close their doors, or to cut back on other benefits. There is little evidence about outlining the cost/benefit to companies in providing leave. Our research team has two studies in process which will hopefully provide data to separate fact from fiction in this debate. One study will examine the cost implications of how leaves are managed; the other will assess the impact of parental leave legislation in four states on employers and employees.

Company or union regulations. Certain company policies inhibit part-time work. For example, when a company budgets whole head counts, a supervisor is allotted a certain number of people. As a part-time employee counts as a full head count, a supervisor is less likely to permit part-time work.

Unions are traditionally concerned with creating new jobs, decreasing regular working hours and gaining overtime pay. Thus they often resist the banking of hours and other flexible time programs that reduce overtime work.

Research on strategies that have overcome some of these obstacles would help both employers and unions.

Governmental regulations. Under federal law, non-exempt American employees must be paid overtime after working 40 hours in a week. A small group (those working on federal construction projects) must, in addition, be paid overtime after working eight hours in a day. State and local laws as well as union regulations are superimposed on the federal laws. The most effective flexitime programs allow the banking of hours (i.e., the employee can work long hours or days and then take time off later). However, maximum hours legislation can hinder their implementation because companies are reluctant to pay the required overtime premiums.

Lack of information. The contention that many jobs cannot be divided into part-time may be untrue. Schering, a chemical company headquartered in Berlin, West Germany, found that 85 percent of jobs in the Quality Control division (a division in which jobs ranged from management to production) could be reorganized into part-time components, a percentage that far exceeded expectations. As a result, the company developed a whole series of ingenious strategies that include the traditional half-day of work but also three people sharing two jobs and arrangements whereby employees work one week and are off the next.

5. Implications for Policy

The implications of the preceding data for public policy recommendations are:

1. Increased information is needed on various models as well as costs and benefits of time and leave policies with an emphasis on greater flexibility.

2. Policies should be developed so that employees do not lose benefit coverage or the option of returning to full-time jobs as their family needs change.

3. Attention must be given to career mobility of employees who take a leave or work shortened hours for a limited period.

4. Company, union, and governmental barriers to increased time and leave flexibility should be studied and recommendations for change developed.

C. The Psychological Aspects of Jobs

1. Dimensions of Jobs That Cause Problems

While issues such as child care, elder care, and job schedules are commonly acknowledged as affecting the worker's ability to combine work and home life, the more psychological aspects of the job are somehow considered out of the purview of the work/family realm. However, our research indicates that this should not be the case. The characteristics and ambience of the jobs can powerfully affect the ease with which dual-earner couples and single parents manage their responsibilities at work and at home.

Job Autonomy. Our research team has found, as have Piotrkowski and Crits-Christoph (1982) that when employees lack a sense of control over the work problems they face, they are

likely to have higher levels of stress and to feel their jobs cause more interference with their family life (Galinsky, Love, Bragonier, & Hughes, 1987).

Job Demands. The effects of a demanding and hectic job on an employee's mental and physical health has been well researched. Karasek and his colleagues have found that the interaction of limited decision-making power and arduous job demands was a significant predictor of job dissatisfaction, stress, and poor health such as heart disease among employees (Karasek, 1979; Karasek, Baker, Marxer, Ahlbom, & Theorell, 1981). In the Merck study, we found that employed fathers with demanding jobs were more likely to report higher levels of stress and more conflict in balancing work and family responsibilities (Hughes & Galinsky, 1988).

Supervisory Relationships. Our research indicates that the relationship with the supervisor is one of the most powerful predictors of work/family problems. This relationship has two components: job support and work/family support. Employees who perceived their supervisors as more supportive on the job (i.e., helpful in getting the job done well as well as when work problems arise) reported lower levels of stress and fewer stress-related health problems (Galinsky, et al., 1987).

Supervisory work/family support occurs when supervisors (1) feel that handling family issues, especially as they affect job performance, is a legitimate part of the role, (2) are knowledgeable about company policies that apply to family issues, (3) are flexible when work/family problems arise, and (4) handle employees' work/family problems fairly and without favoritism (Galinsky, 1988b). The National Council of Jewish Women's study (1987b) of women before and after childbirth found that having a supportive supervisor was roughly equivalent to having a supportive spouse in its effect on stress. In the Merck study, male employees with supportive supervisors reported lower levels of stress and fewer stress-

related health problems; female employees also reported less stress (Hughes & Galinsky, 1988; Galinsky, 1988b).

Supportive Culture. On the basis of focus groups that our research team has conducted at numerous corporations, the issue of "family-friendly" organizational culture has risen. In a needs assessment at a large telecommunication research lab, we found that of all job conditions assessed (scheduled hours per week, overtime, control over scheduling, commuting time, supervisor support, and supportive culture), culture was the most significant. Having a perceived unaccommodating culture was predictive of stress-related health problems, parents' worrying about their children while at work, and the perception that child care problems impair productivity (Lurie, Galinsky, & Hughes, 1988).

2. Business Initiatives that Address the Psychological Aspects of Jobs

Businesses seldom consider addressing the nature of the job as a work/family issue, despite highly significant research indications that this is indeed the case. One of the few exceptions is Local 8-149 of the Oil, Chemical, and Atomic Workers. Our interviewers asked the union members' children what one change the union could make to promote a better quality of family life. Many of the children requested that their parents come home less "wired"; they said that assembly line tensions caused their parents to come home in bad moods. The union responded by initiating discussions and bringing in trainers to help members reduce the demanding nature of their jobs and to learn conflict resolution skills.

Also relatively rare is supervisor training in work/family issues. In a nationally representative study of working parents (Galinsky & Hughes, 1987), we asked what changes would improve employees' quality of family life while maintaining or increasing their productivity. The most frequent suggestion was for merit raises, but the second was to train

supervisors to be more accommodating when family needs arose. A few pioneering companies are beginning to develop work/family modules as a part of supervisory training.

Pioneering companies are also beginning to experiment with making the company culture more "family friendly." To bring about these changes, company mission statements are revised to include the notion of being responsive and responsible to employee's families, and articles are published in company newsletters.

Programs to help employees cope with work/family stress. Employee Assistance Programs (EAP's) originally focused on substance abuse. Today, EAP's (which now number over 5,000) have begun to attend to work and family issues.

Companies are now offering seminars on work and family life. Typical topics in the seminars include "Managing Family Work," "Family Communications," "Returning to Work After Baby," and "Handling Work/Family Stress." Estimates place the number of companies providing seminars at over 1,000, including small and large employers alike (Catalyst, 1983). Companies have also developed or purchased newsletters on work and family life.

Some companies have moved toward a preventive rather than a remedial focus. They have installed wellness programs. One of the most notable is Johnson & Johnson's Live for Life Program which includes all aspects of health promotion.

3. Obstacles to the Expansion of Programs that Help Employees Cope with the Psychological Aspects of Jobs

These obstacles are predominantly attitudinal. If company decision-makers do not see addressing work/family issues as part of their business mandate, they are much less likely to focus on prevention of problems and changing informal policies.

4. Implications for Policy

1. Companies should heed information about work/family conflicts of dual-career and single parents in order to understand the psychological aspects of the job.

2. Evaluation research is needed on more innovative efforts such as supervisory training.

III. POLICY RECOMMENDATIONS TO THE DEPARTMENT OF LABOR

In considering dependent care, time and leave flexibility, and the psychological aspects of the job, certain needs for action have emerged. Overall, the establishment of a stronger research base on the problems that affect dual earner couples and single parent employees and the evaluation of the effectiveness of programs that address these problems is recommended. Efforts should be made to disseminate this information on both a policy and practical "how-to" level. This effort would involve redesigning the Department of Labor's Clearinghouse so that a local, state, and national data base network is developed. In terms of dependent care initiatives, the major responsibility of government is to establish a stronger dependent care system for companies to buy into. Research should be conducted on the barriers to permitting greater time and leave flexibility and task forces should determine how to overcome these barriers. Finally, local public/private partnerships should be established to encourage responsive and creative approaches to local work/family issues.

A. The Need for Additional Research

1. A National Work/Family Database

While there is a great deal of data on the nature of work/family problems in specific workplaces, notably large corporations, there is no source of national data. Thus, information is limited on certain populations such as single parents, minority workers, low-income workers, and employees who care for the elderly. Because some of these population groups are expected to increase, collecting trend data that can identify problems and trace changes over time is of paramount importance in continuing to guide policy.

2. Program Evaluation

Research on work/family solutions is even more scarce than research on work/family problems. Very few evaluation studies have been conducted and only a handful have been methodologically sound (with adequate measures, pre/post tests, and well matched control groups). Several recent grants awarded by the Department of Labor include cost/benefit analyses but these studies are limited by tight time frames and are not collecting original quantitative data. As employers begin to implement programs, it will be very useful to have program evaluations informed by properly designed studies.

3. Policy Studies

Certain business, union and governmental policies discourage work/family initiatives (e.g, "whole headcounts" or regulatory confusion). In future, there should be research on "strategies that work," -- successful corporate and union programs that bypass traditional obstacles. Emphasis should be given to models of greater time flexibility and reduced working hours as well as small business initiatives. Research is also needed on the effectiveness of government incentives for corporate involvement such as business tax credits.

B. The Need for Information Dissemination

Overall examinations of obstacles reveal that lack of information has impeded the adoption of work/family initiatives. Obviously, information can be disseminated but still not be heard. If the issue of work/family seems foreign to senior managers with no first hand experience in such problems, they may not pay attention to such information, no matter how well produced or distributed.

Three trends, however, indicate that resistance to work/family initiatives is decreasing. First, the growing labor shortage should further the notion of employees as human capital rather than as expendable labor. Because of these shortages, recruitment and retention will become more prominent corporate goals. Second, the aging population should mean that increasing numbers of senior managers will have direct experience dealing with elder care issues, whereas they may have been shielded from child care problems. Third, as leading companies continue to develop work/family initiatives, companies lacking them may be at a competitive disadvantage. Ultimately, corporate interest in information on work/family problems should grow.

1. Information Dissemination at a National Level

Under Ann McLaughlin, the former Secretary of Labor, the Women's Bureau has begun to develop a work/family clearinghouse. Its objective is sound: a National Clearinghouse so that business, labor, and government can access work/family data. However, the strategy to achieve a national, computerized data base is, in my view, problematic. In a country as complex as the United States, it is nearly impossible to maintain a

national database that is accurate and up-to-date. A more effective strategy would be to refer callers to state or local agencies who are funded to perform this function.

A second problem with a national database is that company representatives rarely call with a simple question. They do not want rote answers from a computer; they want to speak to experts who can help them think about criteria for selecting a consultant, how to frame questions in a needs assessment, and how to overcome management resistance to increased time flexibility. As planned, the clearinghouse informant is not a professional with vast expertise in answering these questions, but someone expected to synthesize data prepared by experts and entered into the computer. This approach is troublesome. A far superior method would be to fund several national, non-profit organizations. Many such organizations already provide information to corporations without funding. Through careful screening, a small cadre of organizations specializing in overall work/family issues or subtopics (e.g., dependent care, time flexibility, and benefits) could be identified, receive referrals from the national clearinghouse and be funded to disseminate information.

Besides referrals, the major purpose of the National Clearinghouse should be to develop materials (The Resource Guide they produced is an example) and to commission data gathering, such as a study of the effectiveness of various incentives in increasing business involvement.

2. Information Dissemination at the State Level

At least ten states have established a state clearinghouse (a "one-stop shop" as they are frequently called) to provide the business community with information. The effectiveness of these dissemination efforts should be analyzed.

To encourage all states to establish a clearinghouse, the Department of Labor should widely publicize the existence of the various state efforts. In collaboration with organizations

such as the National Governors Association, a conference or prominent session should be convened for representatives of all 50 states to discuss state clearinghouses and share promising practices. Some interesting state initiatives include:

- o New Jersey's strategy of visiting companies that request information as well as following-up on this visit.

- o Oregon's system of tracking all work/family initiatives, not merely on- or near-site centers.

- o New York State's decision to locate its clearinghouse within the Department of Economic Development.

- o Wisconsin's strategy of giving awards to exemplary corporate programs.

3. Information Dissemination at the Local Level

The National Clearinghouse should provide referrals to expert organizations as well as to state clearinghouses and local agencies. A network of local agencies should be encouraged to monitor local work/family initiatives. One obvious choice is Resource and Referral agencies, which already form a national child care network and work with local companies. Obtaining and maintaining such data gathering could be done through cooperative arrangements with organizations like The National Association of Child Care Resource and Referral Agencies.

C. Dependent Care Initiatives

One finding of this review is that companies are more likely to buy into the local child care system when that system is well developed. Thus I conclude, as did the New York State Task Force on Work and Family, that a major role of government is to develop and strengthen the existing dependent care system. The Department of Labor should promote this idea at a national, state, and local level, not only for the sake of the current productivity of our workforce but in order to develop our workforce of the future. The initiatives needed to improve the system should be focused on four areas:

1. Child Care Affordability

   - o A federal tax credit on earned income to help the neediest families pay for child care.

   - o The provision of a sliding scale on this credit to help families move out of poverty.

2. Child Care Quality

   - o Standards that assure children a safe environment. If this is not politically feasible on a federal level at the present time, the federal government should offer strong incentives for states to raise their standards gradually (so that many child care providers will not be forced to go out of business).

   - o Improvement in state licensing functions so that there is sufficient staff to visit programs and so that personnel have child development backgrounds.

- Pre-service and in-service training for providers supported by increased revenues at a federal, state, and local level.

- A federal initiative requiring each state to form a broad-based task force that includes business leaders to consider ways to improve salaries and benefits for the child care workforce to stem the destructive and costly turnover in the field without making programs unaffordable for parents. The federal government should disseminate information on promising strategies to these task forces.

- Mechanisms at all levels of government to promote collaboration and coordination of all the players in the child care and early education systems. Technical assistance on how to collaborate is also needed.

- The National Clearinghouse and local child care Resource and Referral agencies should widely disseminate information to parents on how to select quality child care.

3. Child Care Availability

- Start-up grants and loans should be provided to child care providers by the state and national government. A business fund could be established to provide additional monies.

- The federal and state governments should study and establish ways to help providers obtain insurance.

- o Resource and Referral should be funded on a state and national level. Information should be disseminated about initiatives such as the Maryland partnership between business and government in building a state Resource and Referral system, the California Child Care Initiative, and others.

- o Schools and churches should be encouraged to offer space or provide before- and after-school programs.

- o Four-year-olds should be offered part-day or full working day developmentally appropriate programs in schools and community-based organizations. This is preferable to short educational programs and wrap-around child care or paying for expensive bus services to take children to distant child care sites.

- o A report modeled on Workforce 2000 (Johnston, 1987) should be prepared on the importance of early child care and education to the future workforce. It should be widely disseminated.

4. Elder Care

There has been too little consideration of what the aging population will mean to the labor force. Studies should be undertaken to consider the impact of an aging population on (1) Social Security; (2) corporate benefits; (3) retirement age; and (4) health care cost containment and employee elder care responsibilities. A report modeled on Workforce 2000 should be prepared and widely disseminated to help companies plan for the shifts that will occur.

D. Flexible Time and Leave

- The federal government should study barriers to flexitime at the workplace and make policy recommendations. Studies of the contingent workforce should also be considered.

- A task force of business and union leaders should be convened to consider how to expand flexibility while maintaining worker protections.

- Information on the impact of state parental leave statutes on employees and employers should be made available to the federal government, state governments, and business community to aid in the design of legislation.

- The Department of Labor should encourage states to develop Temporary Disability Insurance.

E. The Psychological Aspects of Jobs

- Information should be disseminated to companies about how the nature of jobs themselves affect workers' ability to manage work/family responsibility.

- Family health care coverage and portable benefits should be considered as a work/family issue. Efforts should be undertaken on to provide families with a minimum of health and benefit coverage.

F. Public/Private Partnerships

One of the most promising developments in the past few years has been the formation of public/private partnerships to address the changing nature of the workforce. A crucial role for the Department of Labor at the present time is to disseminate information on these efforts and perhaps to offer small incentive grants to communities to start such efforts using existing structures. Some examples include:

- Success by Six. This initiative was spearheaded by the United Way in Minneapolis and was chaired by the CEO of Honeywell. Representatives of business, philanthropy and social service identified barriers to children successfully entering school at six, and recommended a comprehensive strategy so all children can be successful by age six. Other cities such as Houston are considering replicating this initiative.

- Children in Need. A project undertaken by the Committee for Economic Development which concluded that the most important investment this country can make for future productivity is the early education and care of at-risk children. Local task groups, such as in New Orleans have conducted a self-study and proposed recommendations.

- Charlotte Champions. A group of corporations in Charlotte, North Carolina, in conjunction with the local child care resource and referral agency, have pledged money to improve local child care.

- One Small Step. San Francisco companies pledge money and act to improve local child care.

IV. CONCLUSION

The changing nature of the family, the labor force, and the economy have transformed the economic and social landscape. The Department of Labor performed an enormous service to American business in bringing these changes to their attention by commissioning and disseminating Workforce 2000 (Johnston, 1987). Among the six changes recommended by that report is assistance in helping families reconcile the conflicting demands of jobs and family life:

> What is needed is a thoroughgoing reform of the institutions and policies that govern the workplace, to insure that women can participate in the economy, and that men and women have the time and resources needed to invest in their children.(p.13)

By following up on that recommendation and assisting business to make that reform, the Department of Labor would help to assure the current and future success of our families and our economy.

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